

**Prevent Child Abuse Louisiana  
Baton Rouge, Louisiana  
June 30, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

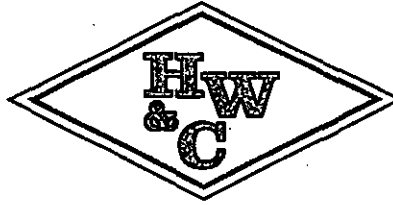
Release Date **OCT 12 2011**

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September 26, 2011

**Independent Accountant's Review Report**

Board of Directors  
Prevent Child Abuse Louisiana  
Baton Rouge, Louisiana

We have reviewed the accompanying statements of financial position of Prevent Child Abuse Louisiana (a nonprofit organization) as of June 30, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our reports.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide, and the provisions of state law, we have issued our report dated September 26, 2011, on the results of our agreed upon procedures.

The accompanying supplemental information listed in the table of contents under Supplemental Schedules and Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but were compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Yours truly,

*Hawthorn, Waymouth & Carroll, LLP*

**Prevent Child Abuse Louisiana**  
**Statements of Financial Position**  
**June 30, 2011 and 2010**  
(See Independent Accountant's Review Report)

<b>A s s e t s</b>		<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Current Assets</b>			
Cash		\$42,579	\$37,775
Grants and contracts receivable		<u>38,921</u>	<u>34,867</u>
		<u>81,500</u>	<u>72,642</u>
<b>Fixed Assets</b>			
Furniture and fixtures			2,947
Equipment		<u>20,784</u>	<u>77,578</u>
		20,784	80,525
Less: accumulated depreciation		<u>19,794</u>	<u>77,713</u>
		<u>990</u>	<u>2,812</u>
<b>Other Assets</b>			
Deposits		<u>1,270</u>	<u>1,270</u>
<b>Long-Term Unconditional Promise to Give</b>		<u>394,692</u>	<u>340,404</u>
<b><u>Total assets</u></b>		<b><u>478,452</u></b>	<b><u>417,128</u></b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Line of credit		71,807	75,000
Accounts payable		21,233	97,313
Accrued vacation and payroll		<u>7,693</u>	<u>32,432</u>
		<u>100,733</u>	<u>204,745</u>
<b>Net Assets</b>			
Unrestricted net assets (deficit)		(16,973)	(128,021)
Temporarily restricted		<u>394,692</u>	<u>340,404</u>
		<u>377,719</u>	<u>212,383</u>
<b><u>Total liabilities and net assets</u></b>		<b><u>478,452</u></b>	<b><u>417,128</u></b>

The accompanying notes are an integral part of these financial statements.

**Prevent Child Abuse Louisiana**  
**Statements of Activities**  
**Years Ended June 30, 2011 and 2010**  
(See Independent Accountant's Review Report)

	June 30, 2011			June 30, 2010		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total Net Assets	Unrestricted	Temporarily Restricted
<b>Changes in Net Assets</b>						
<b>Public Support and Revenue</b>						
Grants - Public	\$67,585			\$67,585	\$233,941	\$233,941
Grants - Private	56,501			56,501	74,117	74,117
Organizations	64,722			64,722	63,002	63,002
Corporate donations	4,462			4,462	10,500	10,500
Foundation receipts	2,500			2,500	47,725	47,725
Individual donations	27,314			27,314	65,182	65,182
Special events	339			339	18,648	18,648
State conferences	54,860			54,860	57,474	57,474
Other	53,599			53,599	14,040	14,040
Investment income		\$54,288		54,288		23,512
Net assets released from restrictions					46,747	(30,873)
					\$23,512	(\$15,874)
<b>Total public support and revenue</b>	<b>331,882</b>	<b>54,288</b>		<b>386,170</b>	<b>631,376</b>	<b>(15,874)</b>
<b>Expenses</b>						
Prevent Child Abuse Program Services	187,709			187,709	547,630	547,630
Administrative	28,709			28,709	52,154	52,154
Fund-raising	4,416			4,416	52,154	52,154
<b>Total expenses</b>	<b>220,834</b>			<b>220,834</b>	<b>651,938</b>	<b>651,938</b>
<b>Increase (Decrease) in Net Assets</b>	<b>111,048</b>	<b>54,288</b>		<b>165,336</b>	<b>(20,562)</b>	<b>(7,361)</b>
						<b>(15,874)</b>
<b>Net Assets (Deficit)</b>						
Beginning of year	(128,021)	340,404		212,383	(107,459)	15,874
End of Year	(16,973)	394,692		377,719	(128,021)	347,765
						212,383

The accompanying notes are an integral part of these financial statements.

Prevent Child Abuse Louisiana  
Statements of Functional Expenses  
Years Ended June 30, 2011 and 2010  
(See Independent Accountant's Review Report)

	June 30, 2011				June 30, 2010			
	Program	Supporting Services		2011	Program	Supporting Services		2010
	Prevent Child Abuse	Adminis- tration	Fund- raising	Total	Prevent Child Abuse	Adminis- tration	Fund- raising	Total
Payroll expenses	\$92,329	\$14,121	\$2,172	\$16,293	\$318,734	\$30,356	\$30,356	\$60,712
Employee benefits	13,303	2,035	313	2,348	26,675	2,541	2,541	5,082
Payroll taxes			0		24,384	2,322	2,322	4,644
Contract services	14,405	2,203	339	2,542	23,034	2,194	2,194	4,388
Program supplies	2,723	416	64	480	7,307	696	696	1,392
Printing	5,319	813	125	938	15,044	1,433	1,433	2,866
Occupancy	4,050	620	95	715	32,167	3,063	3,063	6,126
Telephone	8,926	1,365	210	1,575	12,360	1,177	1,177	2,354
Travel and meetings	7,741	1,184	182	1,366	13,735	1,308	1,308	2,616
Postage and shipping	1,168	179	27	206	5,055	481	481	962
Equipment maintenance and rental	3,855	589	91	680	18,394	1,751	1,751	3,502
Insurance	5,020	768	118	886	12,296	1,171	1,171	2,342
Interest	10,537	1,612	248	1,860	3,887	370	370	740
Miscellaneous	2,358	361	55	416	2,728	260	260	520
Conferences, conventions and meetings	13,955	2,134	329	2,463	29,183	2,779	2,779	5,558
Depreciation	2,020	309	48	357	2,647	252	252	504
Total functional expenses	187,709	28,709	4,416	33,125	547,630	52,154	52,154	104,308
				220,834				651,938

The accompanying notes are an integral part of these financial statements.

**Prevent Child Abuse Louisiana**  
**Statements of Cash Flows**  
**Years Ended June 30, 2011 and 2010**  
(See Independent Accountant's Review Report)

	<u>2011</u>	<u>2010</u>
<b>Cash Flows From Operating Activities</b>		
Increase (Decrease) in net assets	\$165,336	(\$43,797)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	2,377	3,151
Loss on disposal of fixed assets	107	
Change in value of unconditional promise to give	(54,288)	(23,512)
(Increase) decrease in receivables	(4,054)	78,106
Increase (decrease) in accounts payable	(76,080)	(26,799)
Increase (decrease) in accrued expenses	<u>(24,739)</u>	<u>(7,008)</u>
<u>Net cash provided by (applied to) operating activities</u>	<u>8,659</u>	<u>(19,859)</u>
<b>Cash Flows From Investing Activities</b>		
Purchase of equipment	(662)	
Change in beneficial interest in investments held by others		15,874
Decrease in investments	<u>      </u>	<u>30,873</u>
<u>Net cash provided by (applied to) investing activities</u>	<u>(662)</u>	<u>46,747</u>
<b>Cash Flows From Financing Activities</b>		
Increase (decrease) in line of credit	<u>(3,193)</u>	<u>702</u>
<u>Net cash provided by (applied to) financing activities</u>	<u>(3,193)</u>	<u>702</u>
<b>Net Increase in Cash and Cash Equivalents</b>	4,804	27,590
<b>Cash, Beginning of Year</b>	<u>37,775</u>	<u>10,185</u>
<b>Cash, End of Year</b>	<u><u>42,579</u></u>	<u><u>37,775</u></u>

The accompanying notes are an integral part of these financial statements.

**Prevent Child Abuse Louisiana  
Notes to Financial Statements  
June 30, 2011 and 2010**

**Note 1-Summary of Accounting Policies**

**A. Nature and Purpose**

Prevent Child Abuse Louisiana (PCAL) is a statewide, volunteer-based organization dedicated to the prevention of child abuse and neglect in all its forms. This mission is carried out through the development, implementation and support of child abuse prevention activities in Louisiana.

PCAL was established in 1986 when the Southeast Louisiana Chapter of Prevent Child Abuse America (formerly the National Committee to Prevent Child Abuse) merged with Parents Anonymous of Louisiana. Originally called the Louisiana Council on Child Abuse, the name was changed in 1998 to one that better identifies its mission. Today, PCAL is recognized as an affiliate of Prevent Child Abuse America.

PCAL's goals are to develop a statewide prevention network throughout Louisiana, educate the public about the prevalence of child abuse and the Organization's role in child abuse prevention and to provide community-based programs throughout Louisiana. The Organization is headquartered in Baton Rouge.

**B. Method of Accounting**

The financial statements of Prevent Child Abuse Louisiana are prepared on the accrual basis recording revenue when earned and expenditures when incurred.

**C. Use of Estimates**

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**D. Cash and Cash Equivalents**

Cash equivalents are considered to be highly liquid investments with maturities of three months or less for the purpose of the statement of financial position presentation.

**E. Income Taxes**

(PCAL) is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation. Accordingly, no provision for income taxes on related income has been included in the financial statements.

The Organization adopted the accounting guidance related to accounting for uncertainty in income taxes, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. The Organization recognizes the effect of income tax positions only if the positions are more likely than not of being sustained. Recognized income tax positions are recorded at the largest amount that is greater than 50% likely of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs.

**Prevent Child Abuse Louisiana  
Notes to Financial Statements  
June 30, 2011 and 2010**

**Note 1-Summary of Significant Accounting Policies (Continued)**

**E. Income Taxes (Continued)**

The Organization has evaluated its positions regarding the accounting for uncertain income tax positions and does not believe that it has any material uncertain tax positions. With few exceptions, the Organization is no longer subject to federal, state, or local tax examinations by tax authorities for years before June 30, 2009.

**F. Fixed Assets**

Prevent Child Abuse Louisiana follows the practice of capitalizing, at cost, all expenses for fixed assets in excess of \$500. All donated fixed assets are recorded at fair market value at date of donation. Depreciation is provided for, principally on a straight-line basis in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives, which range from three to five years.

**G. Basis of Presentation**

The Organization has adopted the Presentation of Financial Statements Topic of the FASB Accounting Standards Codification. Under the Presentation of Financial Statements Topic, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted assets. Unrestricted net assets include those net assets whose use by the Organization is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Temporarily restricted net assets are those assets whose use by the Organization has been limited by donors to (a) later periods of time or other specific dates, or (b) to specified purposes. Permanently restricted net assets are those net assets received with donor-imposed restrictions limiting the Organization's use of the asset. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

**H. Advertising Costs**

Advertising costs are expensed as incurred. There were no advertising expenses in 2011 and 2010.

**I. Contributed Services**

The Organization receives a significant amount of donated services from unpaid volunteers who assist in fund-raising and special projects. No amounts have been recognized in the statement of activities because the criteria for recognition under the Revenue Recognition Topic of the FASB Accounting Standards Codification have not been satisfied. The Organization receives more than 1,000 volunteer hours per year.

**Prevent Child Abuse Louisiana  
Notes to Financial Statements  
June 30, 2011 and 2010**

**Note 1-Summary of Accounting Policies (Continued)**

**J. Accounts Receivable**

The Organization considers accounts receivable to be fully collectible, accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

**K. Accrued Annual Leave**

In August 2007, Prevent Child Abuse Louisiana revised its personnel policy to allow employees to accrue personal time off.

PCAL accrues personal time off on all full-time employees at a rate of 6.77 hours per pay period (22 days annually) for years one through three; 7.38 hours per pay period (24 days annually) for years four through five; 8.31 hours per pay period (27 days annually) for years six through nine; 9.85 hours per pay period (32 days annually) during the tenth year and thereafter. Calculation is based on 26 pay periods per year. Employees may carry over no more than 50% of his/her PTO to the next fiscal year, not to exceed a total of 240 PTO hours at any given time. PCAL will pay out 50% of remaining PTO upon termination. The accrued liability for annual leave was \$7,693 and \$15,199 at June 30, 2011 and 2010, respectively.

**L. Functional Allocation of Expenses**

The costs of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and fund-raising activities benefitted.

**M. Designations of Net Assets**

Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments. Designations may be reversed by the Board of Directors at any time.

**N. Reclassifications**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

**Note 2-Promises to Give**

Prevent Child Abuse Louisiana was named as a ten percent (10%) beneficiary of the James M. Bernhard, Jr. Charitable Remainder Annuity Trust. The Trust was established on December 29, 1993 and has a term of twenty (20) years.

At the end of the twenty (20) year term, the Trust will terminate and the trustee will distribute to Prevent Child Abuse Louisiana cash in an amount equivalent to ten percent (10%) of the balance of the Trust. The Trust is inalienable and the Trust instrument is irrevocable.

**Prevent Child Abuse Louisiana  
Notes to Financial Statements  
June 30, 2011 and 2010**

**Note 2-Promises to Give (Continued)**

The Trust agreement contains various restrictions, among which are restrictions regarding funding of the Trust, terms of the Trust, payment of annuity, proration of the annuity amount, distribution to charity, prohibited transactions, successor trustee, governing law, limited power of amendment, and investment of trust assets.

The unconditional promise to give is reported as "Temporarily Restricted" on the financial statements at June 30, 2011 and 2010, is as follows:

	<u>2011</u>	<u>2010</u>
Receivable in three years		
Net present value at 4.9%	<u>\$394,692</u>	<u>\$340,404</u>

Change in value is due to the change in market value of the assets held in trust.

**Note 3-Line of Credit**

The Organization has an unsecured line of credit with an area bank with a total available credit limit of \$75,000 and a variable interest rate of 3.25% at June 30, 2011 and 2010, respectively. The amount borrowed at June 30, 2011 and 2010, was \$71,807 and \$75,000, respectively.

**Note 4-Retirement Plan**

Prevent Child Abuse Louisiana has a defined contribution 401(k) retirement plan for its employees. It is available to all salaried employees with at least one year of service.

Employees may contribute between 1% - 15% of eligible compensation, not to exceed \$10,000 per year. Prevent Child Abuse Louisiana will make matching contributions equal to 100% of the employee's contribution to the plan, subject to 5% of yearly compensation.

Eligible employees may enter the plan on the first day of each month and increase or decrease the amount of their contributions on January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup> or October 1<sup>st</sup>.

Employees are 100% vested in their own pre-tax contributions, and vest in Prevent Child Abuse Louisiana's contributions on the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 2	0
2	20
3	40
4	60
5	80
6	100

Retirement plan expense for the years ended June 30, 2011 and 2010, was \$3,711 and \$10,225, respectively.

**Prevent Child Abuse Louisiana  
Notes to Financial Statements  
June 30, 2011 and 2010**

**Note 5-Commitments**

Prevent Child Abuse Louisiana entered into an operating lease agreement for a copier rental at \$796 per month which expires in July 2013. Rent expense under the lease was \$4,765 and \$9,552 for 2011 and 2010, respectively. The lease was terminated in December 2010 and Prevent Child Abuse is in the process of returning the copier. Prevent Child Abuse Louisiana is not aware of any additional liability related to the termination of this lease agreement.

**Note 6-Contingencies - Grant Program**

Prevent Child Abuse Louisiana participates in federal and state grant programs which are governed by various rules and regulations. Costs charged to the grant programs are subject to audit and adjustment by the grantor agency; therefore, to the extent that PCAL has not complied with the rules and regulations governing the grants, refunds of any money received and the collectibility of any related receivable at year end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and PCAL.

**Note 7-Economic Dependence**

Prevent Child Abuse Louisiana receives approximately eighteen (18%) of its funds from federal and state grants or contracts. All funds received from the grants and contracts are federal and state funds and are appropriated each year by the federal and state government. If significant budget cuts are made at the federal or state level, the amount of funds received by PCAL could be reduced by an amount that could adversely impact its operations. Management is not aware of any actions that have been taken or are proposed to be taken by the federal or state government that will adversely impact PCAL's grants and contracts for the fiscal years ending June 30, 2011 and 2010.

**Note 8-Board of Directors Compensation**

PCAL is a private, non-profit organization led by a volunteer Board of Directors; therefore, no compensation or per diem has been paid to any director.

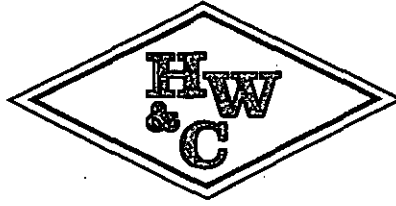
**Note 9-Subsequent Events**

Prevent Child Abuse Louisiana evaluated all subsequent events through September 26, 2011, the date the financial statements were available to be issued.

### **Supplemental Schedules and Information**

# HAWTHORN, WAYMOUTH & CARROLL, L.L.P.

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September 26, 2011

### Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Directors  
Prevent Child Abuse Louisiana  
Baton Rouge, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Prevent Child Abuse Louisiana, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Prevent Child Abuse Louisiana's compliance with certain laws and regulations during the period ended June 30, 2011 included in the accompanying *Louisiana Attestation Questionnaire*. Management of Prevent Child Abuse Louisiana is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

#### *Federal, State, and Local Awards*

1. Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

<u>Grant Name</u>	<u>Grant Year</u>	<u>CFDA Number</u>	<u>Amount</u>
Arra Grant	2010	16.801	\$4,217
Community Based Family Resources Support Grant	2011	93.59	14,608
Nuturing Families Grant	2011		14,279
Kidline Grant	2010	16.575	18,208
Kidline Grant	2011	16.575	<u>16,273</u>
<u>Total expenditures</u>			<u>67,585</u>

2. For each federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.

We examined supporting documentation for each of the six selected disbursements and found that each item was coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Executive Director.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the Compliance Supplement (or contained in the grant agreement, if the program is not included in the Compliance Supplement) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

- a. Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed.

- b. Allowable costs

We reviewed the previously listed disbursements for costs allowed or not allowed.

- c. Reporting

We reviewed the previously listing disbursements for reporting requirements.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

The disbursements selected included two federal programs that were closed out during the period of our review. We compared the close-out reports for these federal programs with the agency's financial records. The amounts reported on the close-out reports agreed to the agency's financial record.

#### *Budget*

8. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Prevent Child Abuse Louisiana provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

*Prior Comments and Recommendations*

9. We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

In the review engagement for the year ended June 30, 2010, we reported that the audit report is to be submitted to the Legislative Auditor's Office no more than six months after the end of the fiscal year. The comment relating to the submission of the report has been resolved by management in the current year.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Prevent Child Abuse Louisiana, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Yours truly,

*Hawthorn, Weymouth & Carroll, LLP*

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Agencies)**

9/1/11 (Date Transmitted)

Hawthorn, Waymouth & Carroll, L.L.P.

8555 United Plaza Blvd. - Suite 200

Baton Rouge, La. 70809

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(Auditors)

In connection with your review of our financial statements as of 6/30/11 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 9/1/11 (date of completion/representation).

**Federal, State, and Local Awards**

We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

### Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

N/A Yes [ ] No [ ]

### Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [X] No [ ]

### Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [X] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Secretary

Date

Treasurer

Date

President

Date

**Prevent Child Abuse Louisiana  
Management's Corrective Action Plan  
Year Ended June 30, 2011**

**Findings**

None.

**Prevent Child Abuse Louisiana  
Summary Schedule of Prior Year Findings  
Year Ended June 30, 2010**

**Findings**

*2010-1 Review Report*

**Observation**

The review report is to be submitted to the Legislative Auditor's Office no more than six months after the end of the fiscal year. This is a repeat finding.

**Recommendation**

Planning and preparation should be made to anticipate circumstances which would delay report beyond the required filing date.

**Management's Response**

Management understands the importance of submitting the required reports to the Legislative Auditor's office within six months of the end of the fiscal year.

Prevent Child Abuse Louisiana (PCAL) has encountered a severe cash flow crisis for the last several years. Changes in administration were made to reinforce the need to bring expenses in line with the supporting revenue stream of grants and unrestricted donations. Efforts were made to consolidate office space and reduce personnel. Finally, the Board of Directors determined that the current staff needed to be furloughed. The furlough went into effect in November of 2010.

With these changes, the day to day operations were disrupted. Also with limited funds, the auditors could not be paid timely and as a result, could not perform the required review. In addition, staff was no longer employed to facilitate this process.

Since that time, revenue from the annual conference and fundraising efforts by the Kappa Delta Sorority have allowed PCAL to settle most of the outstanding payables and fund several key programs.

Once the auditors were compensated, the work began to complete and submit the required reports to the Legislative Auditors office.

Now that the cash flow position has improved, key staff has been retained on a part-time basis to operate the core programs of PCAL. Funding is sufficient to cover expenses and maintain the core programs.

Staff is compiling the necessary records to begin the required review for the fiscal year ending June 30, 2011 and 2010, by August 1, 2011. Funds have been set aside to complete this process.

**Resolution:** This finding was resolved in the current year.